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Honorable Teena Wolfe  
Administrative Law Judge, Hearing Division  
1200 West Washington Street  
Phoenix, AZ 85007-2927

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Re: Docket No. W-01303A-08-0227  
SW-01303A-08-0227

Honorable Teena Wolfe,

Enclosed herewith is a copy of PORA'S Second Data Request and Attachment that PORA has submitted to Arizona/American Water Company on February 27, 2009. These data requests represent additional concerns that PORA, Sun City West Water District has in the subject dockets. Please take these under consideration in determining rate increases in this case.

Respectfully

Carole McHale-Hubbs, Attorney for PORA

Arizona Corporation Commission

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ARIZONA/AMERICAN WATER COMPANY

RATE APPLICATION

DOCKET NO. W-01303A-08-0227

DOCKET NO. SW-01303A-08-0227

PORA, SUN CITY WEST, SECOND SET OF DATA REQUESTS  
TO ARIZONA/AMERICAN WATER COMPANY

- 2.01 Please correct Docket No. on PORA'S First Set Of Data Requests from W-01-393A-08-0227 to W-01303A-08-0227 and SW-01-303A-08-0227 to SW-01303A-08-0227.
- 2.02 Please explain the Pro forma adjustment of maintenance expenses of \$137,026 on Line 21, Schedule C-1, (attached), which equates to 124% above the test year. How was the Pro Forma adjustment derived?
- 2.03 Please supply PORA, through it's Intervenor, Carole McHale-Hubbs, the payment delinquency rate and actual amounts of delinquencies for each water district subject to the requested rate increases stated in the subject dockets.

*Carole McHale-Hubbs*  
Carole McHale-Hubbs

2/27/09

Attachments:  
Schedule C-1, Adjusted Test Year Income Statement

Arizona American Water Company - Sun City West Water  
Test Year Ended December 31, 2007  
Adjusted Test Year Income Statement

Exhibit  
Schedule C-1  
Page 1  
Witness: Hubbard

Line No.		[A] Test Year Book Results	[B] Total Pro Forma Adjustments	[C] Test Year Adjusted Results	[D] Proposed Rate Increase	[E] Adjusted with Rate Increase
1	<b>Revenues</b>					
2	Water Revenues	\$ 4,303,616	\$ 1,357,414	\$ 5,661,030	4,276,305	\$ 9,937,336
3	Other Revenues	1,853,019	(1,812,618)	40,401		40,401
4						
5		\$ 6,156,635	\$ (455,204)	\$ 5,701,431	\$ 4,276,305	\$ 9,977,736
6	<b>Operating Expenses</b>					
7	Labor	\$ 643,462	\$ 59,755	\$ 703,217		\$ 703,217
8	Purchased Water	252,671	(255,361)	(2,690)		(2,690)
9	Fuel & Power	725,810	104,264	830,074		830,074
10	Chemicals	95,331	132,558	227,889		227,889
11	Waste Disposal	4,391	-	4,391		4,391
12	Management Fees	996,569	3,334	999,903		999,903
13	Group Insurance	145,525	45,595	191,120		191,120
14	Pensions	72,512	65,187	137,699		137,699
15	Regulatory Expense	9,737	24,065	33,802		33,802
16	Insurance Other Than Group	58,622	-	58,622		58,622
17	Customer Accounting	131,441	2,035	133,476	1,711	135,187
18	Rents	14,331	-	14,331		14,331
19	General Office Expense	57,226	-	57,226		57,226
20	Miscellaneous	243,650	(11,242)	232,408		232,408
21	Maintenance Expense	110,302	137,026	247,328		247,328
22	Depreciation & Amortization	1,371,936	(48,395)	1,323,541		1,323,541
23	General Taxes-Property Taxes	139,898	39,998	179,896	45,150	225,047
24	General Taxes-Other	53,716	12,116	65,832		65,832
25	Income Taxes	(233,528)	(90,531)	(324,059)	1,632,518	1,308,459
26						
27	<b>Total Operating Expenses</b>	\$ 4,893,602	\$ 220,404	\$ 5,114,006	\$ 1,679,379	\$ 6,793,385
28	<b>Utility Operating Income</b>	\$ 1,263,033	\$ (675,608)	\$ 587,425	\$ 2,596,926	\$ 3,184,351
29	<b>Other Income &amp; Deductions</b>					
30	Other Income & Deductions	17,621	(17,621)	-		-
31	Interest Expense	1,033,373	69,549	1,102,922		1,102,922
32	Other Expense	(372)	-	(372)		(372)
33	Gain/Loss Sale of Fixed Assets	90,780	-	90,780		90,780
34	<b>Total Other Income &amp; Deductions</b>	\$ (924,600)	\$ (87,170)	\$ (1,011,770)	\$ -	\$ (1,011,770)
35	<b>Net Profit (Loss)</b>	\$ 338,433	\$ (762,777)	\$ (424,344)	\$ 2,596,926	\$ 2,172,582

Supporting Schedules:  
E-2 C-2

Recap Schedules:  
A-1

\\Schedules\2007 Sun City West Water Sch. A-F.xls\